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Ms. Marlene H. Dortch Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Dear Ms. Dortch:

Michael Gravino, Director of the LPTV Spectrum Rights Coalition, LLC, (the "Coalition"), met on February 23rd, 2017, with FCC Commissioner Michael O'Rielly, and Robin Colwell, Chief of Staff and Senior Legal Advisor, Media, to discuss the following topics:

STATE OF THE INDUSTRY – We discussed the 10,000 LPTV and TV translator licenses, permits, and applications, including the remaining Class A's, which will be left after the auction. These consist of about 5800 licensed facilities, 2700 new construction permits, 1300 accepted applications, and the remaining Class A's. We further discussed the financial stress licensees were under, based on the uncertainty of their displacement status, and the lengthy five plus years of stalled business plans.

We also discussed that when the auction results come out on March 30th, the industry will be able to begin to ascertain the impacts. And that with 75 Class A owners also owning more than 1000 LPTV, that we could see a new level of reinvestment into the industry. Discussions also included the recently completed GAO LPTV auction impacts study, and the Coalition's own estimates. And we shared our research which show that pre-auction, the primary stations have about 4 billion TV pops, the Class A's about 500 million, and LPTV and translators about 1.7 billion. We discussed that the post auction number would of course be lowering but it remains to be seen exactly where.

2. <u>INCENTIVE AUCTION IMPACTS</u> – We discussed the known impacts from the auction's clearing of UHF 38-50. We reported that about 3150 LPTV and TV translator licenses and new permits will for sure be displaced. We will not know the displacements from the repack from UHF 36 to VHF 2 until March 30th, and possibly more during the modification period in the ensuing few months. But we do know that the range will be from 900-1200 additional moves, meaning a potential total of about 4000 LPTV and TV translator license and permit displacement impacts.

We also discussed that the GAO LPTV impacts report estimated, based on actual interviews with licensees, that from \$50,000 to \$600,000 in per station displacement costs would need to be spent by the LPTV owners. And we shared that our Coalition uses a blended \$150,000 estimate to balance out rural and urban differences.

We also shared that NAB's commissioned study estimated a Class A at \$395,000 in repack costs, which is mostly identical to any low power, and as much a translator system, since with mountain top antenna farms and microwave, the costs do add up. We also shared that the estimated impacts could collectively cost the industry, during the approximate 3-4 year repack period, about \$1 billion in out of pocket unfunded mandate costs.

3. SERVICE WAIVERS IN LIEU OF RELO FUNDS — We discussed section 6403(b)(4)(B) in the incentive auction legislation which allows auction eligible stations which are displaced, to, in lieu of accepting relocation funding, choose to go through the process of obtaining a service waiver for flexible use services. We shared that our Coalition has fielded inquires from numerous Class A's and full powers about the concept and process. Part of our discussion was a reflection on what has changed in technology and the media marketspace since the auction legislation was passed. And that at that time, ATSC 3.0 was not on the horizon yet, and the flex use service waiver was a mechanism to enable innovators in the broadcast industry to create a bridge to LTE, and a much better and more efficient transmission standard.

We shared that while the major primary station groups are now focused on 3.0, that the service waivers could be very useful if focused on solving the digital divide. Part of our discussion was also technical in that it included how the new TV core would be a tight and contentious operating environment, especially if the service waivers were requested en masse by those eligible entities. We also discussed a wrinkle in the auction legislation which does not include allowing those auction eligible stations which were not displaced, and that they are not eligible to apply for a service waiver. And that there are 12 LPTV licenses which have approval to apply for flexible use, including major markets.

We further discussed that within the Next Gen NPRM the FCC asks about the future usefulness of the ISIX rules developed specifically for a tight duplex gap and how broadcast TV and LTE would deal with inter-service interference. We shared that the ISIX rules took a lot of time and brain power to craft, and that they should not be eliminated, as their usefulness is just now beginning to be understood in the new TV band which does not have a duplex gap. We shared Coalition research that many current licensees and permittees would gladly switch to a flexible use model to serve their local communities as a licensed wireless internet service provider (WISP) service, and or a video downlink in tandem with a WISP enabled by the Next Gen 3.0 standard,

4. <u>LPTV & 3.0</u> - Our Coalition expressed our thanks for the new sunshine process of releasing a draft of the Next Gen NPRM. For years now LPTV, unless it got lucky, was never given any advance notice of this type of release. By providing this sunshine, we were at least aware of what was being advocated and had equal time to advocate. We discussed how within the NPRM the concept of a lighthouse airing ATSC 1.0 for partner stations, while they also get to use their full 6 MHz for 3.0 services. We shared how this would affect LPTV which could have been used as a transition station.

Our Coalition requested that if the historic and current broadcast TV rigged economy is embedded into the Next Gen standard, that LPTV will want unfettered access to deploying the standard as soon as it is approved, and to have its current lightly regulated regime to remain in tack. And that applications for experimental license testing the standard by LPTV and translators should be approved expeditiously. We thanked the Commissioner for how the Media Bureau acted in just such an approval for what is now the largest test of the 3.0 standard, a title we hope will be broken soon by many others.

We further explained that "clusters" of remaining Class A's are considering a rapid and early adoption of the 3.0 standard also. We provided additional insights into the current distribution of LPTV licenses and permits, and that they also have numerous clusters in many additional markets which can be engineered into significant Next Gen non-major network content delivery networks. We also expressed that combined with the auction and repacking displacement costs, the investment into 3.0 would be difficult for many in the industry.

Further, we discussed how the new AWARN system and protocols need to be available for LPTV's 3.0 testing and deployments of Next Gen systems. With EAS the only programming obligation to the government it has for its license, LPTV can deploy this type of new service quicker in many cases than the primaries. We shared that LPTV was first to broadcast 4K, first to broadcast a 3.0 test, and first to test an SFN, and now with the new Portland Oregon tests, first to test a lighthouse, densification, and carrier aggregation, as well as very uneven terrain, which should require the use of gap fillers.

5. <u>LPTV & THE DIGITAL DIVIDE</u> – We shared that our Coalition supports repurposing LPTV spectrum to immediately assist in the goal of solving the digital divide, and doing so in a very targeted, fact based, data driven process. We explained that Coalition research shows that in many, if not most, of the digital divide counties, one or many LPTV licensed stations, and construction permits were available to be repurposed as flexible use. We shared that by repurposing as a licensed WISP with protected contours, LPTV spectrum can be utilized immediately, at no cost to the government, to help solve the digital divide problem.

We also explored the 1999 Digital Data Services Act pilot project law which may be able to be amended by Congress to enable all LPTV to become flexible use licenses. Our Coalition requested that the FCC create a simple two-layer map, with the base layer

being the counties where they need additional spectrum capacity for assisting in solving the digital divide, and the top layer, the 10,000 LPTV and TV translator licenses and permits.

- LPTV & 5G We discussed with the Commissioner that the 5G roadmap includes both the just auctioned 600 MHz spectrum, and other DTV capabilities, and that LPTV may indeed be able to make the first bridges into LTE-B, and even a low band version of LTE-U.
- 7. **REQUESTS** Our Coalition had four requests for the Commissioner;
 - a. <u>DIGITAL DIVIDE & LPTV MAP</u> That the FCC create a digital divide map by counties, and overlay it with the 10,000 LPTV and translator licenses and permits. This will give us all a roadmap for where LPTV may be able to help solve the digital divide, and especially rural broadband.
 - b. <u>AUCTION & REPACK IMPACT ANALYSIS</u> That during this long five plus year incentive auction process, the FCC has never conducted an LPTV and TV translator "impact analysis" of any of the band plans and outcomes. And that with the auction results coming out on March 30th, that then would be a good time to initiate an official FCC study of what will happen to the LPTV and TV translator licenses and permits it is responsible for.
 - c. HOW TO REPLENISH THE LOSS OF PUBLIC SERVICE OBILGATIONS We discussed how with hundreds of primary, NCE, and Class A stations going off the air, that a potentially large number of lost public service and education programming will be lost. We request that the FCC study this loss, and look to see if there is adequate demand from LPTV licensees to upgrade to Class A status, to replenish the loss.
 - d. <u>GREETING</u> We also invited the Commissioner to provide a short recorded video greeting to our members for its annual event at the NAB Show in April.

Respectfully submitted,

Mike Gravino, Director
LPTV Spectrum Rights Coalition
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